

# CROSS COMPANY

COMMERCIAL REALTY ADVISORS

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U.S. Department of Transportation  
400 Seventh Street, SW  
Nassif Building, Room PL-401  
Washington, D.C. 20590-0001

AGENCY: Federal Motor Carrier Safety Administration (FMCSA)  
DOT DMS Docket Number: FMCSA-2007-28055 - 1478

Cross & Company lauds the U.S. Department of Transportation (DOT) for setting up a demonstration program in which authorized Mexican carriers, meeting the rigorous safety requirements and insurance obligations as established, may operate in the United States beyond the commercial zones along the U.S.-Mexico border.

As mandated by Congress, DOT has met all 22 safety mandates to ensure that only safe trucks will be allowed to operate on U.S. highways. In addition, DOT has invested over \$500 million, since 1995, in upgrading border inspection stations and hiring 600 federal and state truck inspectors in preparation for cross-border trucking operations. As such, we are confident that the DOT will carefully screen all Mexico-based motor carriers to ensure that they meet all U.S. safety operating standards including hours-of-service compliance, maintenance and drug and alcohol testing.

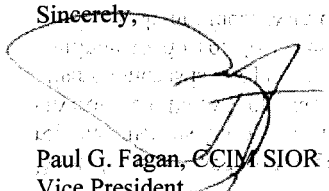
Implementation of a cross-border trucking demonstration program by DOT, in coordination with the Secretary of Communications and Transportation of Mexico, is a critical step long overdue in the process of moving forward with our obligation under the North American Free Trade Agreement (NAFTA). The demonstration program will help to open up the highways in Mexico and the United States to our respective transportation companies increasing efficiencies and reducing transportation costs.

With the continued convergence of the North American economy and increasing competition from other economic regions such as Europe, Asia and the Middle East it is critical that these provisions be implemented. In the global environment that we operate in, the strategic advantage that both the U.S. and Mexico mutually share in competing with other countries is our proximity to each other. We cannot afford to give away this strategic advantage but unfortunately continue to do so. As a result of transferring trailers prior to crossing the border into our respective countries, we continuously are faced with unnecessary costs and time incurred at the border.

As many as three separate carriers handle a single shipment between our two countries as the cargo is handed off at the border by a Mexican carrier to a drayage carrier and finally onto a U.S. carrier. As the cargo is handed off to the drayage carrier, there is an additional cost that is incurred. As a result, this current system of transferring trailers at the border costs consumers an average of \$400 million per year.

There is no reason why Congress should continue to delay DOT's efforts. By delaying the demonstration program and full implementation of cross-border trucking provisions, we continue to pass on unnecessary costs to consumers. In addition, DOT has already met the 22-point Congressional safety mandate and has responsibly designed a demonstration program before full implementation of the NAFTA cross-border trucking provisions. Therefore, any further delay of the demonstration program is unfounded. As a country, it is time for us to move forward and support DOT's effort in implementing the cross-border trucking provisions of NAFTA.

Sincerely,

  
Paul G. Fagan, CCIM SIOR  
Vice President  
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